



Office of Rental Development and Homeless Initiatives

**NOTICE OF FUNDING AVAILABILITY
and
General Guidelines
For**

2009-2010

**Emergency Shelter Grants and
Rural Homeless Initiative Programs**

Due Date: November 21, 2008

**Emergency Shelter Grants (ESG) and
Rural Homeless Initiative Grants (RHI)**

Timeline for 2009-2010

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| September 12, 2008 | Emergency Shelter Grants 1. Notice of Funding Availability (NOFA) released 2. ESG Allocation Letter 3. Timeline (Emailed to CoC Coordinators & Chairs) |
| *Tuesday, September 23, 2008 <i>Regions 2 & 3 Region 1 & 4</i> | <u>Conference Call on ESG/Request for Proposals</u> CoC Coordinators, Chairs and ESG Grantees Ph: 877-402-9753 Pass code: 1413972 <ul style="list-style-type: none"> • Region 2 & 3, 9:00a.m – 10:30 am. • Region 1 & 4, 10:30a.m. - Noon |
| *Wednesday, September 24, 2008 <i>Regions 5 & 8 Region 6 & 7</i> | <u>Conference Call on ESG/Request for Proposal</u> Participants: CoC Coordinators, Chairs and ESG Grantees Ph: 877-402-9753 Pass code: 1413972 <ul style="list-style-type: none"> • Region 5 & 8, 9:00a.m. – 10:30a.m. • Region 6 & 7, 10:30a.m. - Noon |
| October 31, 2008 | ESG/RHI applications available via HALO |
| November 21, 2008 | <ul style="list-style-type: none"> • ESG/RHI application due (via HALO). • Exhibit 1 – COC Planning Update due (Postmarked Nov. 21). |
| February 28, 2009 | <ul style="list-style-type: none"> • Grants mailed • Grant documents must be signed and returned within 45 days |
| April 1, 2009 | Grant term 4/1/09 – 3/31/10 |

*If you cannot call-in at the time scheduled for your region, feel free to call-in at another time.

ALL organizational documents/attachments must be postmarked by November 21, 2008 or your application will be denied. (See a list of all required submissions in the last page of the NOFA.)

NO EXCEPTIONS!

INTRODUCTION

The Michigan State Housing Development Authority (MSHDA) will distribute an estimated \$7.8 million in funding through its Emergency Shelter Grant (ESG) Program – including Rural Homeless Initiative (RHI) Grants – in fiscal year 2009-2010. This Notification of Funding Availability (NOFA) describes the process through which these funds will be allocated to communities and awarded to local recipient organizations.

Because Congress and HUD have not yet completed their fiscal year 2009 budget allocations – defining the total of ESG funding available – our target funding allocations are tentative. Should it be necessary to alter a Continuum's target funding allocation following submission of the *2009 Continuum of Care Planning Update*, MSHDA will equally and proportionally adjust funding amounts for all projects recommended in the *Planning Update* to account for any required variation.

This program offers financial assistance to public and non-profit organizations that are responding to the needs of homeless populations through a comprehensive community-wide planning process and implementation strategy.

Minimum Funding Levels: No ESG funding application for less than \$5,000 will be accepted. In circumstances where a community desires to appropriate under \$5,000 to a local partner, sub-contractual agreements with another ESG grantee will be allowed.

CORE STRATEGIES

- Transition to Housing First orientation;
- Assure comprehensive services for housing stabilization;
- Increase consumer income through entitlement benefits or jobs;
- Develop comprehensive community-based prevention systems;
- Build public support and political will for ending homelessness;
- Share best practices across regions and statewide.

EXPECTED OUTCOMES

- Align with and support local 10-Year Plans to End Homelessness;
- Reduce the duration of homelessness of those entering the emergency shelter system, i.e., convert to a Housing First strategy;
- Decrease measurable net costs of homelessness for public systems (over time);
- Reduce use of hotel/motel dollars (i.e., converting to a Housing First orientation);
- Decrease the number of homeless in the Continuum of Care (CoC) area;
- Compliance with HUD and MSHDA guidelines for appropriate use of funds;
- Comply with MSHMIS strategies.

DEFINING HOMELESS PERSONS FOR ESG FUNDING

To be eligible for ESG funding, the applicant and its proposed programs or services must serve homeless persons as defined by the Department of Housing and Urban Development (HUD) for the Emergency Shelter Grant Program.

Homeless persons are defined by HUD as those who are sleeping in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned buildings, or those who are sleeping in an emergency shelter as a primary nighttime residence. Persons may also be considered as homeless if they:

- Are living in transitional or supportive housing for homeless persons but originally came from the streets or emergency shelters;
- Ordinarily sleep in transitional or supportive housing for homeless persons but are spending a short time (30 consecutive days or less) in a hospital or other institution;
- Are being discharged within a week from institutions in which they have been residents for more than 30 consecutive days and no subsequent residences have been identified and they lack resources and supportive networks needed to obtain access to housing;
- Are fleeing from domestic violence and no subsequent residences have been identified and they lack resources and supportive networks needed to obtain access to housing; or
- Are being evicted within a week from private dwelling units and no subsequent residences have been identified and they lack resources and supportive networks needed to obtain access to housing.

USE OF MSHDA FUNDS FOR HUD/SUPPORTIVE HOUSING PROGRAM (SHP) CASH MATCH

Communities seeking to help local projects address HUD's requirement for matching funds for supportive services, transitional housing operations, permanent supportive housing operations, and HMIS implementation under the McKinney-Vento Supportive Housing Program (SHP) may utilize MSHDA's ESG funds to help fulfill these obligations

Emergency Shelter Grants

ELIGIBLE EMERGENCY SHELTER GRANT APPLICANTS

In order to be eligible to receive MSHDA Emergency Shelter Grant or Rural Homeless Initiative funding, applicant organizations must be actively involved in a recognized Continuum of Care planning process. Funding may only be used to serve persons who are homeless in accordance with HUD McKinney-Vento Act definitions for the Emergency Shelter Grant Program (see definition in the section below). Eligible program applicants include:

- Local units of government; and
- Public and private non-profit agencies with **at least one year** of experience in providing services and/or shelter specifically targeted to homeless persons.

Faith-based non-profit organizations are eligible to apply but must comply with rules and restrictions regarding primarily religious institutions established in HUD's governing regulations.

GENERAL PROGRAM REQUIREMENTS FOR EMERGENCY SHELTER GRANT RECIPIENTS

A MSHDA-funded homeless service provider must comply with all of the program requirements that follow:

- Provide directly, or through referral, all supportive services essential for consumers to find and maintain stable housing (e.g., assistance in obtaining permanent housing, medical and mental health treatment, counseling, and other case management services);
- Maintain all program, facilities, and operational standards specified in the *Emergency Shelter and Transitional Housing Shelter Standards Certification*;
- Provide regular and timely progress and outcome reports as prescribed by MSHDA;
- Participate in the Michigan Statewide Homeless Management Information System (MSHMIS), in accord with standards and timelines established by MSHDA;
- Provide reports on activities and performance outcomes using standardized language that enables common reporting statewide;
- Comply with all audit, monitoring, and administrative requirements of HUD and MSHDA -- including those related to non-discrimination, equal opportunity, fair housing, lead paint regulations; HMIS participation; and
- Administer in good faith a policy to ensure that the homeless facility is free from the illegal use, possession, or distribution of drugs or alcohol by its beneficiaries and/or staff.
- The criteria addressed in the sections above should provide sufficient guidance for local Continuum Bodies to make appropriate determinations of program eligibility. If there are issues of current performance or capacity that might affect the eligibility of specific providers in your area, MSHDA will notify the Continuum (both verbally and in writing) in a timely manner. Special circumstances or questions regarding eligibility may be referred to your Homeless Assistance Specialist for clarification.

ELIGIBLE USE OF ESG FUNDS – FOUR COMPONENTS

1. Operating Expenses

These are expenses associated with the operation of a shelter, transitional housing, or related service facility, including (but not limited to) insurance, rent, food, utilities, telephone/cell phone service, internet expense, furnishings, office/computer equipment, agency vehicles, staff transportation, and maintenance and repair of facilities. Costs of operating staff (e.g., bookkeeping staff, clerical staff) are also allowable, up to 10% of the total MSHDA grant award. Other administrative expenses (including audit expenses) are NOT allowable in this category.

2. Essential Services

These are expenses for staffing and other related direct assistance costs associated with provision of supportive services in shelter and transitional housing, or other housing-related supportive services activities. Eligible expenses include (but are not limited to) both program and direct assistance costs which support case management, follow-up, housing and renter skills, housing search and relocation, child care, parenting education, budgeting, employment, health care, substance abuse, education, children's services, and client transportation activities. Staffing costs associated with delivery of homeless prevention assistance should also be reflected in this category.

3. Homeless Prevention

This category is used for direct financial assistance to prevent the occurrence/recurrence of homelessness, including (but not limited to) one-time subsidies to help defray rent or utility arrearage for households that have received eviction or utility termination notices; payment to prevent a home from falling into foreclosure; payment of first month's rent to permit a homeless family to move into their own dwelling; payment of utility arrearages to enable a homeless household to move into permanent housing; and mediation programs for landlord/tenant disputes. Please note: Expenses for staffing for Homeless Prevention activities are allowable in the ESG program, but these must be identified under the Essential Services category (above).

4. Continuum of Care Coordinating Expenses

MSHDA allows a portion of its state-based ESG funding to be used for *expenses associated with Continuum of Care coordinating activities*. This might include costs of printing and postage, support for consumer participation in the Continuum process, and other related travel, meeting, planning, or coordinating costs. Costs for time and fringes of a coordinating staff role are also eligible. While there is no established limit for these expenses, communities are encouraged to be thoughtful in their consideration of funding designated for these purposes in light of scope of coordinating effort and demands of broad community and regional need.

Only one Continuum Coordinating grant per Continuum of Care body will be considered. The applicant can be any public or private non-profit agency participating in the Continuum of Care planning process and designated by the Continuum as the applicant for these purposes.

HOW TO APPLY:

2009 ESG Applications (Via HALO) by November 21, 2008

Each agency applying for ESG funding must submit their own *Program Application* directly on HALO – in accordance with recommendations determined through the local Continuum process. This application asks each program to describe the eligible activities and budgeted expenses that are being proposed. It also serves as the basis for the contract between MSHDA and each funded organization. Agencies may only submit requests in the amount recommended by their local Continuum of Care.

All 2009 ESG applications and the attachments below must be submitted by the Agency ***by the Agency's Authorized Official*** electronically on MSHDA's HALO system.

A) Certification of Basic Standards for Emergency Shelters and Transitional Housing:

All organization receiving ESG and RHI funds must abide by established emergency shelter and transitional housing standards that pertain to personnel, facilities, food service, health, and operations issues. This requirement applies to all funding applicants who are operating shelter or transitional housing programs, whether or not they are receiving MSHDA funding for shelter or transitional housing operations. Monitoring by MSHDA staff will review compliance with these basic standards, and funding may be withheld or withdrawn for failure to comply. Each applicant agency must submit a certification of compliance with these basic standards (Program Application: Attachment II-B).

B) Certification of Compliance with Administrative Standards; and

All programs receiving ESG funding must abide by established HUD and MSHDA administrative regulations. These include fair housing, lead safety, equal opportunity, drug-free workplace, and HMIS obligations. Each applicant must submit a certification of compliance with these administrative rules. (Program Application: Attachment II-C).

All organizational documents and attachments must be mailed together in ONE envelope. Do not send separately!

RURAL HOMELESS INITIATIVE GRANTS (RHI)

RHI grants are only available to previously funded grantees. No other agencies are eligible to apply.

GENERAL PROGRAM REQUIREMENTS FOR RURAL HOMELESS INITIATIVE GRANT RECIPIENTS

A MSHDA-funded homeless service provider must comply with all of the program requirements that follow:

- Provide directly, or through referral, all supportive services essential for consumers to find and maintain stable housing (e.g., assistance in obtaining permanent housing, medical and mental health treatment, counseling, and other case management services);
- Maintain all program, facilities, and operational standards specified in the *Emergency Shelter and Transitional Housing Shelter Standards Certification*;
- Provide regular and timely progress and outcome reports as prescribed by MSHDA;
- Participate in the Michigan Statewide Homeless Management Information System (MSHMIS), in accord with standards and timelines established by MSHDA;
- Provide reports on activities and performance outcomes using standardized language that enables common reporting statewide;
- Comply with all audit, monitoring, and administrative requirements of HUD and MSHDA -- including those related to non-discrimination, equal opportunity, fair housing, lead paint regulations; HMIS participation; and
- Administer in good faith a policy to ensure that the homeless facility is free from the illegal use, possession, or distribution of drugs or alcohol by its beneficiaries and/or staff.
- The criteria addressed in the sections above should provide sufficient guidance for local Continuum Bodies to make appropriate determinations of program eligibility. If there are issues of current performance or capacity that might affect the eligibility of specific providers in your area, MSHDA will notify the Continuum (both verbally and in writing) in a timely manner. Special circumstances or questions regarding eligibility may be referred to your Homeless Assistance Specialist for clarification.

ELIGIBLE USE OF RHI FUNDS – THREE COMPONENTS

1. Operating Expenses

These are expenses associated with the operation of a shelter, transitional housing, or related service facility, including (but not limited to) insurance, rent, food, utilities, telephone/cell phone service, internet expense, furnishings, office/computer equipment, agency vehicles, staff transportation, and maintenance and repair of facilities. Costs of operating staff (e.g., bookkeeping staff, clerical staff) are also allowable, up to 10% of the total MSHDA grant award. Other administrative expenses (including audit expenses) are NOT allowable in this category.

2. Essential Services

These are expenses for staffing and other related direct assistance costs associated with provision of supportive services in shelter and transitional housing, or other housing-related supportive services activities. Eligible expenses include (but are not limited to) both program and direct assistance costs which support case management, follow-up, housing and renter skills, housing search and relocation, child care, parenting education, budgeting, employment, health care, substance abuse, education, children's services, and client transportation activities. Staffing costs associated with delivery of homeless prevention assistance should also be reflected in this category.

3. Housing Relocation

Homeless relocation expenses include payment of first month's rent payment of utilities arrearages/deposits to permit a currently homeless family to move into their own dwelling. Expenses for staffing Housing Relocation activities are allowable, but these costs must be identified under the Essential Services category.

HOW TO APPLY:

2009 RHI Applications (Via HALO) by November 21, 2008

Each agency applying for RHI funding must submit their own *Program Application* directly on HALO – in accordance with recommendations determined through the local Continuum process. This application asks each program to describe the eligible activities and budgeted expenses that are being proposed. It also serves as the basis for the contract between MSHDA and each funded organization. Agencies may only submit requests in the amount recommended by their local Continuum of Care.

All 2009 ESG applications and the attachments below must be submitted by the Agency **by the Agency's Authorized Official** electronically on MSHDA's HALO system.

A) Certification of Basic Standards for Emergency Shelters and Transitional Housing:

All organization receiving ESG and RHI funds must abide by established emergency shelter and transitional housing standards that pertain to personnel, facilities, food service, health, and operations issues. This requirement applies to all funding applicants who are operating shelter or

transitional housing programs, whether or not they are receiving MSHDA funding for shelter or transitional housing operations. Monitoring by MSHDA staff will review compliance with these basic standards, and funding may be withheld or withdrawn for failure to comply. Each applicant agency must submit a certification of compliance with these basic standards (Program Application: Attachment II-B).

B) Certification of Compliance with Administrative Standards; and

All programs receiving ESG funding must abide by established HUD and MSHDA administrative regulations. These include fair housing, lead safety, equal opportunity, drug-free workplace, and HMIS obligations. Each applicant must submit a certification of compliance with these administrative rules. (Program Application: Attachment II-C).

All organizational documents and attachments must be mailed together in ONE envelope. Do not send separately!

CONTINUUM OF CARE – EXHIBIT 1

STANDARDS FOR CONTINUUM OF CARES

Each Continuum of Care will be required to submit recommendations for FY 2009-2010 funding distributions **based on its 10-Year Plan to End Homelessness**. MSHDA staff will review all local funding recommendations to assure that they appropriately address:

- Justification for any significant shift of funding to or from currently funded projects;
- Justification for exclusive funding of single agencies within a Continuum of Care area;
- Clarity of the relationship between the community's 10-Year Plans to End Homelessness and organizations identified for funding;
- Demonstration of a fair and open process for funding distribution; and
- Demonstration of appropriate strategies for monitoring performance of current funding recipients.

MSHDA reserves the right to alter all recommendations based on issues of prior applicant performance, applicant capacity, eligibility of project activities, and consistency with the criteria and standards discussed in this NOFA.

SUBMISSION OF CONTINUUM PLAN TO KEY STAKERHOLDERS FOR THE TEN-YEAR PLAN TO END HOMELESSNESS

The Emergency Shelter Grant and/or Rural Homeless programs application process also requires submission of a form certifying that the *Continuum of Care Plan* has been received and reviewed by the four key stakeholders in your community's ten-year plan to end homelessness. This form is included as *Attachment I-A* to the *2009 Continuum of Care Planning Update*. It is not MSHDA's intent that the key stakeholders for the Ten-Year Plan to End Homelessness approve or endorse this submission. It is our belief, however, that the planning process for an effective Continuum of Care – especially in linking homeless populations to mainstream services and community resources -- will include active dialogue and coordination with your community's key stakeholders.

HOW TO SUBMIT YOUR EXHIBIT 1: CoC Update

The Continuum of Care planning body must submit one funding plan on behalf of the entire community. Eligible homeless service programs may only submit *Program Applications* for projects and funding amounts that are recommended through their local Continuum process. These recommendations must be specified in the *2009 Continuum of Care Planning Update (Exhibit 1)* submitted to MSHDA.

CoC's **MUST** submit the following:

1. Mail Exhibit 1 (CoC Update) with original signatures postmarked no later than November 21, 2008, and
2. Mail Attachment I (Signatures from the Four Key Stakeholders) with **original** signature, post marked no later than November 21, 2008
3. Mail Attachment II, (Local Certificate of Approval) with **original** signatures, post marked no later than November 21, 2008
4. Mail By-Laws of CoC or larger entity that they are part of post-marked no later than November 21, 2008. All C o C's must have By-Laws or submit how their C o C is governed and guiding principles.

**All documents and attachment should be mailed in ONE envelope together.
Do not send separately.**

DISTRIBUTION OF ELECTRONIC VERSIONS

An electronic version of this *Notice of Funding Availability* and *2009 Continuum of Care Planning Update* (Exhibit 1) will be posted on the MSHDA web-site (www.michigan.gov/mshda).

You must be a CoC member and be awarded through the CoC to apply via HALO. You must have a username and password to access the HALO system. If you are a new agency, contact your Homeless Assistance Specialist.

FURTHER INFORMATION AND TECHNICAL ASSISTANCE

If you have any questions regarding this *Notice of Funding Availability*, please see the attached map for the phone number of the Homeless Assistance Specialist assigned to your region.

See Regional Map.

All documents and attachments should be mailed in ONE

envelope together.

Do not send separately.

Check List of All required documents to submit for ESG 2009 funding.

(Even though you may have submitted these before, you are required to submit everything this year with your application! No exception and nothing will be accepted after November 21, 2008)

For Non-profits

Articles of Incorporation

By-Laws

Board of Directors and Officers

Current Fiscal Year Budget

Certificate of Good Standing (dated within last 12 months)
Call the Corporation and Securities Bureau: 517/241-6470

Cost Allocation Plan
(Only if you have indirect costs)

Homeless Prevention Guidelines for 2009 grant year
(only if being funded for Homeless Prevention Activities)

Most recent fiscal year Audit

IRS-501 (c) (3) Designation

IRS-990 most recent (dated within the last 12 months)

Organization Chart

For Local Units of Government Only

Accounting Certification

Roster of Member of Governing board

Budget – current fiscal year

Organizational Chart

Fiscal Year Audit

Employee roster (for all full-time and part-time employees whose duties include housing services and/or homeless program, and the total number of hours each employee works.)

Cost Allocation Plan (only for indirect costs)

Homeless Prevention Guidelines for 2009 grant year (only if being funded for Homeless Prevention Activities)